

# CUPE EDUCATION WORKERS' BENEFITS TRUST



## 2022 in Review

Our goal is to ensure the benefits offered under our plan contribute to keeping members healthy and productive for years to come. As we work to successfully achieve this goal each year, we keep our members' needs at the forefront while balancing the financial realities of rising healthcare costs and inflation over the last few years.

This annual update provides details about the activities the Trust undertook in 2022 and the first half of 2023. We've included a summary of the CUPE EWBT's financial status last year (as of December 31, 2022) and encourage all plan members to dive into the details provided on these pages.

We hope the summer season brought both fun and relaxation to you and your family, and wish you good health as we enter a beautiful fall season.

Sincerely,

The Board of Trustees

## The Board of Trustees

**The CUPE EWBT is managed by a Board of Trustees and is made up of nine members who are responsible for effectively managing CUPE EWBT:**

- Five are appointed by CUPE;
- Four are appointed by the Council of Trustees' Association and the Crown.

These individuals are collectively responsible for appointing professional advisors and overseeing the plan's administration and financials. Regardless of personal affiliations, the Trustees have a fiduciary obligation to manage the Trust in the best interest of all plan members.

### Sitting on the Board of Trustees in 2022

You can read each Trustee's biography on the [CUPE EWBT website](#).

Gary Goddard, Chair (appointed June 10, 2022)

William Campbell	Dan Crow
Tammy Graham	Karen McRae
Wanda Muirhead-Toporek	Terri Preston*
Debra Tatters*	David Wright

\*Appointment ended on February 28, 2022.

## 2023 Appointments

Between March 1, 2022, and February 1, 2023, the Board of Trustees operated with seven of nine appointed Trustees. However, in the first quarter of 2023, we are pleased to report two new appointments:

- David Marshall was appointed by the Crown on February 9, 2023; and
- Carrie Lynn Poole-Cotnam was appointed by OSBCU/CUPE on March 3, 2023.



# Plan details, as of December 2022



**52,862**  
members eligible  
for coverage



**47,905**  
members receiving  
benefits coverage



**64**  
school boards  
in Ontario

The plan's funding comes from three separate sources, each one crucial to maintaining the Trust's ongoing sustainability:

- 1 The majority is provided through the school boards and is based on the number of full-time equivalents (FTE) staffing positions (following negotiations between OSBCU/CUPE, the Crown, and the CTA);
- 2 Member contributions; and
- 3 Return on investments.

## Focus on finances<sup>1</sup>

CUPE EWBT Trustees follow one overarching guiding principle: to create the best possible plan for its members with the funding available – a plan that will be sustainable for the long term. This principle guides all decision-making, toward ensuring the plan continues to keep members healthy and productive for years to come.

The collective bargaining agreement ratified at the end of 2022 secured a 1% annual increase to negotiated funding for 2022-2026, with a 4% increase at the end of the agreement. Our financial projections consider the continuously rising cost of healthcare, the inflationary pressure we've all experienced over the last few years, as well as the risk presented by investment volatility. As such, the 2022-2026 agreement is unlikely to support healthcare and inflationary cost increases beyond the next three to four years, keeping the Trust in a deficit position unless steps are taken.

This has necessitated that we make some difficult decisions, including increases to members' monthly contributions for health and dental (effective September 1, 2023), which had not previously been increased since the inception of the plan and were significantly lagging actual benefit costs.

Through continued rigorous plan management and governance excellence, the Trustees are diligently working to maintain financial strength over the long term.

<sup>1</sup> All these numbers are extracted from audited financial statements.

### Between January and December 2022, the CUPE EWBT received \$240.9 million<sup>2</sup> in funding

Most of this funding goes directly toward paying members' claims, in addition to the premiums charged by the plan's insurance providers.



FTE funding  
**\$237.8 million**



Member contributions  
**\$12.9 million**



Return on investments  
**-\$9.8 million**

<sup>2</sup> Net of taxes.

**Total funding<sup>1</sup>**  
**\$260.2**

**Total expenditures**  
**\$299.1**

**Change in 2022 unallocated assets**  
**-\$38.9**

<b>Funding Sources</b>	<b>Expense amount (in \$ millions)</b>
All funding sources (net of retail sales tax)	240.9
Estimated Retail Sales Tax (not included in audited financial statements)	19.3
<b>Expenses</b>	
Health, Dental, and HCSA Claims (Canada Life)	241.2
Life Insurance Premiums (Canada Life)	14.5
Global Assistance (Canada Life)	0.2
AD&D Premiums (Chubb)	0.7
Benefit and Trust Administration Costs	14.4
Estimated Retail Sales Tax (not included in audited financial statements)	19.3
Premium Tax	4.6
Change in Reserves	4.2
<b>Change in unallocated assets</b>	<b>(38.9)</b>
Unallocated Assets (beginning – 25% CFR)	80.1
<b>Unallocated Assets (end – 25% CFR)</b>	<b>41.2</b>

<sup>1</sup> Including taxes.

## Noteworthy achievements in 2022

### Communication

In keeping with previous years' achievements, the Trustees continued to increase communication with members, ensuring all members are informed about the plan on a timely basis. The year's communication efforts included:

- ✓ Quarterly member updates emailed in February, May, August, and November 2022 (mailed too!);
- ✓ Communication to share details about the time-limited healthcare spending account (HCSA) – A website dedicated to time-limited HCSA details, with online education videos, and comprehensive Frequently Asked Questions (January to September 2022);
- ✓ A member webinar hosted by the Board of Trustees and Canada Life (February 2022);
- ✓ Targeted communication to remind members about important deadlines (mailed to home in June and September 2022);
- ✓ In-person attendance by the Board of Trustees and its advisors at the OSBCU Convention, presenting to Local Leaders (June 2022);
- ✓ Trustees Orientation Guide approved by the Board to inform newly appointed Trustees (2022).



### The time-limited Health Care Spending Account (HCSA)

In December 2021 the Trust introduced a time-limited HCSA. The Trust chose the HCSA because it was unable to improve benefits that were long-term in nature as per the Collective Agreement (e.g., to increase massage therapy maximum or add acupuncture benefits). Each member was allocated \$1,000 in HCSA credits, deposited in their HCSA account at Canada Life. This gave members the flexibility to use HCSA credits to help pay for eligible healthcare expenses, including the ability to claim their premium receipt issued by OTIP (for the health and dental premium share they pay towards their benefits).

### The Member Delinquency Policy

Updated in April 2022, members suspended due to non-payment of premiums can re-enrol in the CUPE EWBT benefit plan without having to apply as a late applicant for up to one year, conditional on the payment of all retroactive premiums. To learn more, visit [www.cupe-ewbt.ca](http://www.cupe-ewbt.ca).



## Annual benefit reset

Every October a review is done to determine if your regularly scheduled working hours have reduced, which may affect your benefits funding and member contributions for the coming year – we call it the October Checkpoint.

Any premium changes identified during the 2023 **October Checkpoint** will take effect in November 2023 and will apply to the 2023/2024 year.

**If your regularly scheduled hours have decreased as of the October Checkpoint**, you will move to the appropriate cost share category and your premium share will be adjusted accordingly.

- If you have a decrease in hours that affects your benefits funding level, your benefits will be suspended effective November 1.
- OTIP will send you an email that prompts you to complete an event and reinstate the benefits that you wish to continue. This ensures that the higher level of premium required for your benefits is not deducted from your bank account without your permission.

**If your regularly scheduled hours increase during the benefit year and this changes your level of funding:**

- You will be able to take advantage of the lower premium share.
- You will not have to provide medical evidence of insurability for Health and/or Dental coverage if you apply for coverage within 31 days of the increase.

Access the [CUPE EWBT Benefits Guide](http://www.cupe-ewbt.ca) at [www.cupe-ewbt.ca](http://www.cupe-ewbt.ca) if you want to learn more about your eligibility and premium share.

## Reminder: increase to member contributions effective September 1, 2023

Earlier in June, we communicated the difficult decision to increase health and dental member contributions and increase the premium rate levels for Basic and Supplemental Life.

**All increases are effective September 1, 2023. Changes will be reflected on your September 15, 2023, OTIP pre-authorized bank deduction.**

We want to again stress that the increases are not a strategy to fund future plan costs but to bring member contributions in line with current cost realities. We encourage you to learn more about these changes at [www.cupe-ewbt.ca/resources](http://www.cupe-ewbt.ca/resources).

### Monthly Member Share (% of benefits costs)\*

Coverage	4%	50%	100%
Health – Single	\$6.59	\$82.38	\$164.76
Health – Family	\$16.02	\$200.25	\$400.50
Dental – Single	\$3.73	\$46.61	\$93.23
Dental – Family	\$9.06	\$113.30	\$226.59

\*Rates have been updated to account for rounding.

# Strengthening Our Plan's Integrity Together

Safeguarding the integrity of our plan is of paramount importance. Fraudulent activities can harm both individuals and the collective well-being of our community. And, in alignment with our fiduciary responsibilities as your Trustees, we are committed to implementing rigorous measures to detect and prevent fraud, ensuring that your benefits are protected.

The potential for fraudulent claims is of concern and requires ongoing monitoring, in partnership with Canada Life. Together, we are dedicated to ensuring preventive processes are in place to minimize ongoing risks and to bring offenses of this kind to light. The implications are far-reaching, not only for the member committing the act but for the entire membership as well as for the Trust.

We continue to work with Canada Life to find ways to further enhance policies that clearly outline the consequences imposed when fraudulent behavior is identified. Your vigilance, in combination with our efforts, plays a vital role in maintaining the security, reliability, and sustainability of our plan.



If you suspect any fraudulent activity or have concerns, please report it promptly. Canada Life's dedicated team is available to address your inquiries and maintain the highest standards of trust and security within the CUPE EWBT plan.



## Want more information?

### Need more information on your benefits? Or want to learn more about how the plan works?

Check out the CUPE EWBT website: [www.cupe-ewbt.ca](http://www.cupe-ewbt.ca). This is where you'll find ongoing member updates, answers to frequently asked questions, the plan booklet and guide, as well as other useful resources.

For questions on enrollment and eligibility, you can call OTIP Benefits Services at **1-866-783-6847**.

For questions on life, health and dental claims, Canada Life's dedicated CUPE EWBT line (**1-866-800-8058**) is here to help you.

And for any general inquiries or Trust-related issues, please email [info@cupe-ewbt.ca](mailto:info@cupe-ewbt.ca).

### A final word

This bulletin has been prepared exclusively for eligible CUPE education workers in the province of Ontario covered by the CUPE Education Workers' Benefits Trust. It is not intended to be comprehensive or provide advice. If there are any differences between the information provided in this bulletin and any legal documents that govern the delivery of benefits, the legal documents will apply. The CUPE EWBT Trustees have sole discretion to modify any or all plan terms, including benefits levels, eligibility conditions, premium share, limits and co-pay amounts.